GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4994
ANSWERED ON:26.04.2002
IMPACT OF RESTRUCTURING OF INCOME TAX DEPARTMENT
T. GOVINDAN

Will the Minister of FINANCE be pleased to state:

(a) Whether the Government have assessed the impact on re-structuring of Income Tax Department in the collection of Direct taxes;

(b) If so,the details thereof;

(c) Whether the cost of collection of direct taxes have come down compared to the previous year; and

(d) If so,the details thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI GINGEE N.RAMACHANDRAN)

a) Restructuring of the Income tax Department isexpected to contribute towards higher collection of Direct Taxes. However,no assessment of the actual increase in collection of Direct Taxes resulting from restructuring has been made by the Government.

b) Not applicable in view of reply to para (a) above.

c & d) Comparison of the cost of collection upto Feb,2002 withthe figures for corresponding period of last year shows a marginal increase in the cost of collection as well as in the cost (paise) per rupee collected as shown in the following table.

Period of direct taxes	Collection (Rs in Crores)	Cost of collection	Cost(paise) per rupee collected
1.4.2000 to 28.2.2001	49941	792.64	1.58
1.4.2001 to 28.2.2002	49953	823.83	1.64